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AGRARIAN REFORM IN COSTA RICA, 1942-1976:
THE EVOLUTION OF A PROGRAM*

by

Mitchell A. Seligson**

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INTRODUCTION

Many students of Latin American agrarian reform are unaware of the severity of the land tenure problem in Costa Rica. This little country has been traditionally known for its strong class of yeomen¹ and its democratic tradition.² However, while the latter continues to show strong signs of viability, the former is fast disappearing. The distribution of land in Costa Rica is highly unequal as has been consistently revealed by the four agricultural censuses conducted in the second half of the present century. The latest census, conducted in 1973, highlights the situation. As can be seen in Table 1, 36.9 percent of the landholders own only 1 percent of the farmland and the entire bottom half of the owners (57.6 percent) own only slightly less than 4 percent of the land. At the other end of the spectrum, the top 1 percent of all the largest farm owners own over a quarter of all the land. At the very top are the 80 largest farms which collectively own 463,754 hectares of land. The Gini Index of the overall distribution of land for 1973 is .86, which ranks it sixth most unequal of the 54 nations studied by Taylor and Hudson.³

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1. James L. Busey, Notes on Costa Rican Democracy (University of Colorado Press, 1967).

2. Kenneth F. Johnson, "Scholarly Images of Latin American Political Democracy in 1975," Latin American Research Review 11 (1976): 129-53.

3. World Handbook of Political and Social Indicators (2nd ed., Yale University Press, 1972).

Table 1
Land Distribution in Costa Rica, 1973

<u>Size of Farm in Hectares</u>	<u>Number of Farms</u>	<u>Per Cent</u>	<u>Cumulative Percent</u>	<u>Area in Hectares</u>	<u>Per Cent</u>	<u>Cumulative Percent</u>
<.2	4,518	5.9	5.9	554	0.02	0.02
.2 to < .5	3,382	4.4	10.3	1,159	0.04	0.06
.5 to < 1	6,513	8.5	18.8	4,472	0.14	0.20
1 to < 2	7,522	9.8	28.6	10,241	0.33	0.53
2 to < 3	6,414	8.3	36.9	15,391	0.49	1.02
3 to < 4	3,328	4.3	41.2	11,380	0.36	1.38
4 to < 5	3,566	4.6	45.8	15,809	0.51	1.89
5 to < 10	9,095	11.8	57.6	64,846	2.08	3.97
10 to < 20	8,777	11.4	69.0	122,781	3.93	7.90
20 to < 50	12,436	16.2	85.2	387,099	12.40	20.30
50 to < 100	5,801	7.5	92.7	396,533	12.70	33.00
100 to < 200	2,922	3.8	96.5	391,733	12.55	45.55
200 to < 500	1,929	2.5	99.0	577,198	18.49	64.03
500 to < 1,000	495	0.6	99.6	338,580	10.84	74.87
1,000 to < 2,500	220	0.3	99.9	320,924	10.28	85.15
2,500 or more	80	0.1	100.0	463,754	14.85	100.00

Source: Dirección General de Estadística y Censos, 1974

While the problem of concentration of land among the landholders is acute, the problem of landlessness is even more serious. The data reveal that only 22 percent of the economically active peasant population are landholders.

The explanation for the deterioration of the land tenure situation in Costa Rica is complex and is reported on extensively elsewhere.⁴ Suffice it to say that relative equality in landholding began to change with the introduction of coffee cultivation in the early part of the nineteenth century. By the beginning of the present century, after the rapid expansion of banana plantations, the Costa Rican yeoman was fast on the retreat. The situation did not reach crisis proportions until the closing of the frontier sometime in the 1960s. This occurred when virtually all land was either in private or in state hands. Landless peasants, an increasing number of whom were being mechanized out of their jobs, have increasingly turned to the state for the resolution of their problem.⁵

This paper examines the evolution of agrarian reform in Costa Rica from 1948 to 1976. The evidence reveals the limited nature of all but the most recent efforts. Nevertheless, the evidence also demonstrates that those peasants who have received land under the reform programs have benefited substantially, both monetarily and psychologically. The conclusion is drawn that reform is an imperative for future stability of the Costa Rican countryside.

LAND REFORM GETS UNDERWAY, HALTINGLY

For many years the Costa Rican government flirted with the idea of agrarian reform, but two central factors inhibited decisive action. First was the fact that the government remained heavily influenced by the large landowners. Serious efforts at reform had to overcome the opposition of this group's fears that an agrarian reform might eventually force them to relinquish some of their properties to land-hungry peasants.

But it would be totally incorrect to argue that the landlords were involved in a death struggle with peasant masses; pressure for reform from

4. Seligson, "The Peasant and Agrarian Capitalism in Costa Rica" (Ph.D. diss., Univ. of Pittsburgh, 1974); "Agrarian Policy in Dependent Societies: Costa Rica," Journal of Inter-American Studies and World Affairs 19 (May 1977): 201-232; "Prestige Among Peasants: A Multidimensional Analysis of Preference Data," American Journal of Sociology 83 (November 1977): 632-52; Seligson and John A. Booth, "Structure and Levels of Political Participation in Costa Rica: Comparing the Countryside with the City," in Seligson and Booth, eds., Political Participation and the Poor in Latin America (New York: Holmes & Meier Publishers, Inc., forthcoming, 1978).

5. ILO, Situación y perspectivas del empleo en Costa Rica (Geneva, 1972).

below was minimal. Peasants traditionally had the alternative of taking advantage of laws which provided virgin land in remote regions for those who wanted it.⁶ Thus, despite the concentration of large land areas in the hands of the coffee and banana interests, the peasants had an alternative. Hence, nowhere in pre-World-War-II Costa Rica was there the extreme concentration of land that existed in Mexico during the Porfiriato.

When the first effort at reform appeared in the 1940s, it was a "back door" one. The Costa Rican state, as a result of the serious economic dislocations produced by World War II, began to take steps to modernize its structure. In 1942 the Ministerio de Agricultura y Ganadería (Ministry of Agriculture and Livestock) was organized, and within it the Oficina de Colonización y de Distribución de Tierras del Estado (Office of Colonization and Distribution of State Lands) was created. This office was established not to effectuate agrarian reform, but to administer state forest reserves. Since sections of these reserve lands were being illegally occupied by private individuals (both large landholders and peasants alike), the office was inexorably drawn into the business of settling land disputes. The Office of Colonization was not equipped to handle the problem with which it found itself confronted. The office was staffed primarily by agronomists and agricultural technicians whose expertise did not include handling land disputes. As a consequence, very little was accomplished.

By 1949 it had become clear that a more effective bureaucratic structure had to be evolved to deal with the land problem. As a result, a legislative committee was formed with representatives from the Ministries of Agriculture, Finance, Justice, and Labor as well as representatives from the private sector. Unfortunately the reform effort was stillborn; no legislative action occurred. Perhaps the task was too complex, too revolutionary for Costa Rica to confront on its own. What model was it to follow? Neither the Mexican nor the Bolivian models were seen as being of much guidance since Costa Rica had not undergone an agrarian revolution as had those two countries.⁷ The impetus which finally pushed Costa Rica into passing an agrarian reform law came primarily from factors in the external environment. Costa Rican land barons looked with fear at the swift moving events in the Cuban Revolution: Fidelismo was alive in the hemisphere and who would be next? There is some evidence that the United States AID mission was attempting to encourage some sort of reform.⁸ The United States'

6. Seligson, "The Peasant and Agrarian Capitalism in Costa Rica."

7. The so-called "Revolution of 1948" in Costa Rica should in no way be misconstrued as an agrarian revolution. The peasants who did get drawn into the conflict did so as a result of party loyalties, their stand (pro or con) on communism (a major issue in the "Revolution"), and their opposition to electoral fraud. Oscar B. Aguilar Bulgarelli, "Costa Rica y sus hechos políticos de 1948 (Problemática de una década)" (San José, 1969); John Patrick Bell, Crisis in Costa Rica: The 1948 Revolution (University of Texas Press, 1971); Miguel Acuña, El 48 (San José, 1974).

8. John Riisman, "Costa Rica: Self-Images, Land Tenure and Agrarian Reform" (Ph.D. diss., Univ. of Maryland, 1972), pp. 207-8.

position on the need for reform became crystal clear in August, 1961, when the Conference of Punta del Este laid the foundations for the Alliance for Progress, a major component of which was the promulgation of agrarian reforms in participating states. Perhaps as a consequence of these factors, internal pressure for reform began to grow. In 1961 the Partido Agraria was formed in Costa Rica with the slogan "land for the man who tills it." Furthermore, as talk of agrarian reform grew, peasants became encouraged to invade land in the hope that their possession would be legalized under the anticipated law. As a consequence, landholders whose property had been invaded put pressure on the government to pass the law so that they could receive compensation for their loss. A few months after the Punta del Este meeting the logjam was broken and the agrarian reform law came into being on October 14, 1961.⁹

There has been much debate over whether the law was a vehicle for a true agrarian reform or just a sop to domestic and foreign pressure.¹⁰ Certainly the goals of the law were ambitious enough: (1) to better the socio-economic conditions of peasants; (2) to conserve natural resources; (3) to promote an increase in the productivity of the land; (4) to avoid the concentration of land in the hands of those who would use it for speculative purposes; (5) to support the development of small- and medium-sized farms; (6) to avoid the creation of minifundio; and (7) to promote cooperatives. Critics have argued, however, that even in the unlikely event that all of these goals were eventually met, the peasantry would not find relief. It was pointed out that what the bulk of the Costa Rican peasants needed is land, and the new law was written in such a way as to almost guarantee that this need would go largely unfulfilled. In the words of a recent sub-director of the agrarian reform institute, Lic. Carlos Quintana Ruiz, "The ITCO law is not a law of agrarian reform."¹¹

The key to understanding criticism of the law lies in the area of compensation for expropriation. The law places heavy emphasis on "respect for private property." It does so for two reasons. First, the legislators wanted to do all they could to prevent peasants from interpreting the new law as giving them an open ticket for further land invasions. It was felt that, unless the law contained a strong statement supporting private property, massive squatting would result. In fact, despite the legislators' efforts, incidents of squatting did increase after the law went into effect. The second reason for the emphasis on respect for private property is much more important and lies at the heart of the controversy over the law. The law provided for prior full compensation, based on the owner-declared value of the property for tax purposes, for expropriated land. Hence, the extent of the expropriations (and consequently the scope of the entire agrarian

9. George W. Hill, "The Agrarian Reform in Costa Rica," Land Economics 40 (1964): 41-48.

10. Edmundo Flores, Land Reform and the Alliance for Progress (Princeton Center for International Studies, 1963), pp. 8-9.

11. "Diez Años del ITCO," Supplement to La Nación, 29 October 1972, p. 23.

reform) was directly and inexorably tied to the financial ability of the state. For every latifundio that was expropriated, funds had to be found to pay the owner in full for his property or bonds had to be issued for payment. Either way, each expropriation had a direct impact on national indebtedness. In a country like Costa Rica, which relies on the export of agricultural commodities for the greatest share of its income, the state's capacity to absorb debts is quite limited. Hence, the scope of the reform program, despite the best intentions of those whose job it was to implement it, was severely restricted. The evidence to support this statement can be found by examining the record of the Instituto de Tierras y Colonización (The Lands and Colonization Institute), which was established in November 1962, as the bureaucratic apparatus for the execution of the law.

Phase I: The Colonization Program

What did ITCO accomplish in the years since its founding? The Institute went through several stages in its evolution, each with its own characteristics. The first of these phases was characterized by an emphasis on colonization schemes. The object of these projects was to settle substantial numbers of landless peasants on virgin lands. Given the limited financial resources of the Institute and its desire to benefit the largest possible number of peasants, it was felt that only by buying land in remote areas would there be sufficient funds to permit the purchase of any sizable plots. In all, 1,272 peasant families were located on 11 colonies with a total of 35,412 hectares among them (see Table 2).

At first blush the colonization idea seemed like a good one. There were, however, extraordinarily high hidden costs in the colonization scheme which eventually limited its success. The Institute did not fully appreciate the fact that for a peasant to make a go of things he had to have more than a plot of land and his two hands. Roads, more than anything else, were essential: roads make it possible to obtain seed, fertilizer, and tools for the production of crops and also provide access to markets once the crop has been harvested. Roads also permit the sick to be transported to hospitals and make it possible for agricultural extensionists to visit the farms and provide technical advice. Upon their establishment most of the ITCO colonies had neither external roads, linking them to the outside world, nor internal roads, linking one farmer to his neighbor. The regions chosen for the colonies were often so remote and so inaccessible that even fifteen years after their establishment some still did not have all-weather roads connecting them to the outside world. It is not surprising that 32 percent of colonists who were interviewed in April-June 1976, responded that roads were the most pressing problem they had.¹² It is not that ITCO did not want to provide roads in these areas, it is simply that it did not have the means to do so. Road construction in Costa Rica is an extraordinarily

12. These data come from a study conducted by the author and Elena A. Wachong with the assistance of ITCO and the Ford and Rockefeller Foundations. Further results of the study are contained later in this paper. Total sample: N = 753, 303 of whom were colonists.

Table 2
ITCO's Colonization Program

<u>Year</u>	<u>Number of Projects</u>	<u>Area in Hectares</u>	<u>Number of Settlers</u>
1962	0	0	0
1963	2	4,371	247
1964	5	23,073	685
1965	2	2,129	124
1966	2	5,839	166
1967 to present	<u>0</u>	<u>0</u>	<u>0</u>
Totals	11	35,412	1,222

Source: ITCO data

expensive affair, given the uneven nature of the terrain and the extremely high rainfall. Problems of drainage and landslides are insurmountable without a large investment in machinery and materials. It is not by chance that the last completed section of the Inter-American Highway linking the United States with the Panama Canal was in Costa Rica. And even in that case, despite 30 years of construction efforts, large foreign loans, and the most up-to-date machinery and technological advice, sections of the road wash out almost every rainy season. ITCO had none of the resources of the Inter-American Highway builders, but nevertheless it was confronted with the construction of road networks to 11 remote colonies scattered over different regions of the country. The task was an impossible one.

Roads, however, were not the only unforeseen cost in the colonization scheme. Other kinds of infrastructure projects were needed as well. Houses had to be erected for the colonists: water systems had to be installed. ITCO argued that other government agencies responsible for housing such as INVU (Instituto Nacional de Vivienda y Urbanismo) and potable water such as SNAA (Servicio Nacional de Acueductos y Alcantarías) should take over these projects. These agencies in most cases replied, however, that these were ITCO projects and ITCO's responsibility. The same reply was often heard from the Ministry of Public Works (Ministerio de Obras Públicas) when it came to the establishment of roads linking the colonies to the nearest town. As a result, ITCO, the agrarian reform agency, was saddled with the responsibility of being a road builder, house builder, water system builder, etc. In the 1976 survey referred to above, in which 32 percent of the colonists responded that bad roads were their major problem, an additional 16 percent said that the absence of a water system was their central problem, and another 12 percent said the absence of bridges was their major concern. Thus, roads, bridges, and water systems amounted to 60 percent of all the major problems reported by the colonists.

All in all the colonization program was not particularly successful. In 1966 the final two colonies were established. After that time no new colonies were created. The 11 extant colonies went through some very rocky times, and in some cases large numbers of colonists abandoned their farms. In the 1970s, however, as national development proceeded, many of these remote areas were finally linked to the national highway system. Crops began to be harvested and sold. However, it generally was agreed that the costs of the colonization program were too great to make it a viable alternative.

Some important lessons were learned from the colonization program. The first of these had to do with location. It became abundantly clear that future reform should take place in at least partially developed regions. The few colonies located in such regions had fared relatively well. ITCO data show, for example, that Colonia La Trinidad achieved production levels of 44,535 colones (\$5,178) per capita in 1974, while remote La Esperanza produced only 4,815 colones (\$560) per capita in the same year. A second lesson ITCO learned had to do with the selection of the colonists themselves. It is not entirely clear how the colonists for these projects were selected: ITCO did establish procedures which required some sort of background check on the individual, but political considerations sometimes

were more important than the formal ones. Hence, in some cases it has been alleged that landowners with political connections were able to obtain parcels on an ITCO colony. They in turn would rent them out to some friend or relative, or would simply sell the property for profit. In other cases it has been alleged that the colonization program was used as a way of exiling disruptive members of a community: individuals who were drunks, vagabonds, or political dissenters are said to have been sent off to these remote regions to get rid of them. How many of the colonists received their land for these reasons nobody knows for certain, but ultimately this detail is probably not too important. What is important in the selection process is the motivation of the colonists. In interviews with 303 members of six colonies two themes were repeatedly brought out. First, the colonists complained about being forced to leave their old home towns and move to a remote area. As they saw it, the colony could have been established nearer to where their families lived so that they would not have felt so isolated. At the same time, landless peasants already living in these remote areas often asked why they had not been given a parcel of land in the nearby colony. Essentially, the problem was one of thoughtless "human engineering." The second complaint of the colonists helps explain why many of them were attracted to the colony in the first place. The complaint centers on the unfulfilled promises made by ITCO. It appears that, in an effort to sell the idea of the colonies to peasants, ITCO often promised more than it could deliver. Peasants were sometimes promised a house but were given only a few pieces of corrugated tin roofing. They were promised farms and given inaccessible, uncleared jungle. They were promised technical help and in many cases given none.

As a result of the problems in the selection process listed above, ITCO found that many colonists quickly became disillusioned. Had the individuals had a clear idea as to what they were getting into and still desired the land, then perhaps more of them would have made a go of it. ITCO learned that self-selection of settlers would help assure success of the project. This realization played an important part in the third phase of the reform program, which is discussed below. First, however, we must examine the second phase of the reform program.

Phase II: Settling Squatter Conflicts

By late 1966 serious reexamination of ITCO's programs was underway. It was clear by this time that the colonization schemes were too expensive for the Institute to maintain. Further expansion was impossible. Officials with the Institute began searching for a new role that would be compatible with its economic situation. The role selected was the settlement of squatter conflicts.

From the first days of its' establishment ITCO began receiving requests from peasants and large landlords alike to intervene in and to resolve squatter conflicts. The 1961 law emphasized this aspect of the program since squatting conflicts were a source of considerable tension in the nation. The squatters steadfastly refused to be evicted, while the land owners demanded eviction or compensation. In addition, a large number of squatting conflicts developed on public domain land. There were also some

cases of squatting on Indian reservations (reservas indigenas). In the years 1966 to 1969 ITCO dedicated itself to the resolution of these conflicts. The cost to the Institute was minimal, since all that was required was the utilization of the legal and administrative staff ITCO already had on its payroll. Capital expenditures were largely unnecessary.

The program met with some success. In 1966, the year the project began, only 79 titles were granted. In 1967 the number rose to 303 and in 1968 to 705. In that year an additional 217 titles were given to individuals in the colonization program. In 1969, the last year of this phase, a total of 747 titles were granted plus an additional 42 titles for the colonists. The entire four-year period saw the granting of 2,093 titles, compared to only 224 titles in the previous four years.

Despite some success in the titling program, the overall effort was a fruitless one. The problem was that the program sought to deal with the consequence of inequality in land distribution rather than its cause. That is to say, rather than attempting to restructure land distribution in Costa Rica in order to avoid squatting conflicts, the program attempted to resolve the conflicts that had already occurred. It became evident that such a program was not acceptable to either the peasant or the political elites. The peasants wanted land and preferred to get it legally. They preferred to avoid the risks involved in squatting if at all possible. Political elites, on the other hand, sought to avoid rural unrest, and tranquility could only be achieved by providing land to peasants before serious conflicts erupted and squatting occurred. ITCO recognized that some new efforts had to be made that would not only resolve existing conflicts but avoid new ones whenever possible. This recognition brought about the next phase in the development of the Institute, the one adhered to in the 1970.

Phase III: The Formation of Agricultural Enterprises

By the end of the 1960s, ITCO had accumulated enough experience from its past efforts to embark upon a program which promised greater success. ITCO had learned from the colonization programs that the total cost of setting up colonies in remote regions was far too high and that, while the initial costs of purchasing land in more developed regions were higher than acquiring land in remote regions, the total costs promised to be much lower. ITCO had also learned that potential recipients of land had to be self-motivated and fully aware of the realities of the project at hand rather than be misled by pie-in-the-sky promises which could not be fulfilled. Finally, ITCO had learned that it needed to deal with peasant hunger for land before it developed into rural violence. With accumulated experience under their belts, ITCO planners began evolving new principles for guiding their reform efforts.

Guidelines for the New Program: In the 1970s four basic principles guided ITCO's rapidly expanding efforts at agrarian reform. First, settlements should be located in non-remote regions. Not all projects had to be located on the meseta central, but they should all be accessible to some major

marketing center. As a result, although many of the new projects were being placed off the meseta, they were virtually always within a short distance of some regional town which in turn was connected by all-weather roads to San José.

The second guiding principle was that the settlement should be located in an area with the highest possible level of infrastructure already present. Hence, ITCO tried, whenever practicable, to establish the projects on established farms rather than in virgin territory. In many cases the farms had been abandoned before ITCO took them over; nevertheless, the internal roads, wells, storage sheds, flood control systems were usually in place and required little additional investment to put them in working order. In some cases the farms had installations for a small dairy and in other cases they had a trapiche.¹³ In one case an entire banana packing plant with surrounding banana fields was included within the settlement grounds. ITCO recognized that such infrastructure items raised the acquisition price but that the total cost was far cheaper than if these improvements were added later. Moreover, they helped provide the basis for economic solvency for the enterprise, an important factor in the third guiding principle.

According to the third principle, ITCO projects were required to show signs of potential economic viability. Each new project was carefully studied by a team of agronomists and economists in order to determine the likelihood of economic success. Crop yields were estimated and market prices were calculated. If it appeared that the project would not be a success, the plan was either modified or discarded altogether.

The final principle guided the selection of beneficiaries of the projects. ITCO became actively involved in the stimulation of groups of peasants who were seeking land so that wherever possible the peasants who ultimately settle in a project were first organized into a group which was seeking land. In this fashion, peasants self-selected themselves for ITCO projects. In the past, ITCO had shied away from such groups, fearing that by assisting them it might end up stimulating a land invasion. ITCO now prefers to have at least minimal contact with these groups so that it can give them guidance and, at the same time, have some feel for their mettle. ITCO does not make it easy for these groups to get land, however, for to do so would only invite disaster for those not willing to put up with the hardships of initiating a settlement. The struggle for land helps build camaraderie. The likelihood of mutual cooperation once the project became established is, thus, increased considerably.

Two types of projects were developed under the new guidelines. The first of these was the "self-run communal enterprise program" (empresas comunitarias de autogestión). The other type was the individual parcel program, much like the colony in its land tenure pattern (i.e., individual

13. These are small sugar mills which produce an unrefined brown sugar sold in cylindrical cakes called tapa dulce. The trapiche should not be confused with the much more elaborate ingenio, or sugar refinery which produces refined, white sugar.

ownership) but different in that these settlements were formed following as closely as possible the four guiding principles used by ITCO in its planning.

Both types of reform programs have been experimented with in recent years and ITCO is presently attempting to determine which is more effective. The communal enterprise model is based upon ITCO's own experience with it and similar programs in other Latin American countries such as Colombia, Honduras, and Panama.¹⁴ Essentially, the difference between the individual parcel program and the communal enterprise is that under the former the land is given in parcels to individuals, while under the latter system the land is owned and worked in common, there being no individual plots. Common land is viewed as of critical importance to the project's success. In the standard reform program each peasant works on his own plot and is little concerned with the other participants in the project. Since no one peasant alone has sufficient capital to convert his plot into a modern, efficient farm, the entire reform program often turns out to be highly inefficient. The only inexpensive source of extra labor under these reform programs is family labor. Thus, there is a strong incentive to have large families. The communal enterprise, in contrast, operates all land in common and therefore has the potential of becoming an efficient operation with a relatively high level of capital investment and technology. In this sort of operation family labor is replaced by communal labor on the part of members and by mechanization (made possible by greater capital investment).

Accomplishments under the New Program: Reform in the 1970s has moved ahead with much greater speed than in the last decade. Table 3 summarizes the agricultural enterprise projects which were formed up through 1976. In contrast to the colonization program, the recent efforts have resulted in a larger number of projects, but the average project is smaller in both area and number of families. This reduction in size is a direct result of the guidelines discussed above; ITCO operates by working with small groups of farmers who demonstrate a genuine desire to obtain land rather than by creating colonies in remote areas and recruiting settlers for them. Not all of the developing projects are small, however. One of the newest projects, giant Coto Sur of 18,678 hectares, is larger than any previous project, including the colonies. This project encompasses several peasant groups composed in part of former United Fruit Company workers. Plans on the drawing board include developing portions of the Astua Pirie (26,400 hectares) and the Chambacu reserve (140,800 hectares). Not size but peasant interests and infrastructure development are the critical factors here.

ITCO hopes to become even more responsive to peasant demands in the future. The present plan is to settle 4,500 additional families on 63,000 hectares of land by the end of the decade. This plan means that considerably

14. José Emilio G. Araujo, ed., La empresa comunitaria: una sistemática reformista en el proceso agrario latinoamericano (San José 1975); Programa de Capacitación Campesina para la Reforma Agraria (PROCCARA), Las empresas asociativas campesinas (Tegucigalpa, 1975).

Table 3

The Peasant Agricultural Enterprise Program

<u>Settlement Name</u>	<u>Size in hectares</u>	<u>Number of Families</u>
<u>Communal Enterprises</u>		
1. Cooperriocanas	309	44
2. Coopetulga	30	20
3. Coopeutaba	43	21
4. Coopedanta	97	20
5. Coopezamora	324	22
6. Coopeutrapez	185	23
7. Coopesilencio	598	53
8. Coopecerritos	284	21
9. Coopegiltablada	1,355	21
10. Coopebelen	24	40
11. Coopevaquita	394	21
12. Colonias	1,192	21
13. Alianza	871	59
14. Bernabela	243	31
15. Coopehumo	156	38
16. Coopeisable	317	42
17. Coopeliberacion	83	20
Subtotals	6,505	517
<u>Individual Parcels</u>		
1. San Luis	1,157	59
2. Thesalia*	633	75
3. Paso Agres*	1,608	34
4. Buenos Aires	73	27
5. Parruas	116	31
6. El Control	517	39
7. Coto Sur	18,678	300#
8. Las Vueltas	840	120
9. Aguila	70	6
10. Rio Frio	1,250	144#
Subtotals	24,942	835
Grand Totals	<u>31,447</u>	<u>1,352</u>

Source: ITCO, Departamento de Planificación archives.

These projects are still in the process of formation. The numbers given are late 1976 estimates.

* No cooperative. All others have cooperatives for production and/or marketing.

more families would be settled in the next few years than ITCO settled in its first 14 years. The long range plan is for settling 30,000 families on 420,000 hectares.¹⁵

Another ITCO project which has been implemented under the new program is directed at the untitled land holders. It will be recalled that a large number of land owning peasants in Costa Rica do not hold legal title to their property. Untitled ownership creates serious difficulties for the peasant when he attempts to obtain bank credit and also induces feelings of insecurity. As a result, ITCO has been attempting to deal with this problem by employing modernized and highly efficient titling procedures in order to reduce the magnitude of the problem as rapidly as possible. The program has been made possible largely by U.S. foreign aid loans.

ITCO estimates that 45,000 of the 81,562 farms in the country (1973 figures) are untitled. Of these untitled farms about half (some 20,000-25,000) are concentrated in eight zones: Nicoya, Santa Cruz, Cañas, Upala, Puriscal-Parrita, Providencia, Valle de General, and Coto Brus. The others are widely scattered and are not amenable to rapid titling programs which rely on aerial photography. ITCO's goal is to title the farms in these eight zones in the shortest possible time. By 1976, 11,306 titles had been granted, covering an area of 179,893 hectares, or 14 percent of the total area to be titled in these zones. The program is moving ahead quickly and should come close to meeting its set goal.

The Impact of Reform: It has been shown that in the 1970s ITCO has made intensive efforts to revitalize what had become a stagnant reform program. What has been its overall success to date? This can be measured in two ways; first, by determining the proportion of the peasant population that has been affected by the reform, and second by determining the impact of the reform on those peasants who have already been assisted by ITCO.

The disease of inequality in land distribution in Costa Rica has festered so long and its magnitude has become so great that vast amounts of capital and human energy will be needed before any significant impact will be felt. Costa Rica is a small country, measuring 50,900 square kilometers. Of this area, some 61 percent (3,122,546.1 hectares) was owned as farmland according to the 1973 agricultural census. ITCO's efforts through 1976 have resulted in the granting of 66,859 hectares (2 percent) of the farm land. In 1973 there were 145,255 landless peasant families in Costa Rica, of which 2,574 (1.7 percent) have received land from ITCO. These figures reveal quite clearly that much more needs to be done for the landless peasant.

15. La Nación (San José), 2 June 1975, p. 17A; and José Manuel Salazar, Sr., Ennio Rodríguez, and José Manuel Salazar, Jr., "An Innovating Agrarian Policy: The Case of Costa Rica," Paper delivered to the International Seminar on Agrarian Reform, Institutional Innovation and Rural Development: Major Issues in Perspective, Land Tenure Center, University of Wisconsin-Madison, 14-22 July 1977.

Little research has been conducted on the impact of agrarian reform. One study, however, conducted by William C. Thiesenhusen in Chile compares 56 peasant families in 1964 and 1970 in four reform projects.¹⁶ Two findings stand out. First, the income per hectare increased about 10 percent per year, which is more than double the rate of increase in agricultural production for all of Chile. More significantly, the gross family income was about twice that which would be earned by a wage laborer earning the minimum wage. The second finding reveals that reform has also brought about a surprising consequence; income distribution has become more unequal among the reform beneficiaries. What happened was that a substantial number of peasants showed strong upward mobility whereas another group experienced little or none. As Thiesenhusen emphasizes, "Some analysts writing on reform assume that all beneficiaries progress more or less in equal measure. That is not true; some make considerable income progress while others stagnate."¹⁷

In Costa Rica an attempt was made to replicate Thiesenhusen's analysis. To do this use was made of two surveys. The first of these was conducted in 1973 and included a total of 263 landless peasants among the total sample of 531. The second study was conducted in 1976 and included only peasants in ITCO projects (colonies, communal enterprises and parcelization programs).¹⁸

16. "Chile's Experiments in Agrarian Reform: Four Colonization Projects Revisited," American Journal of Agricultural Economics 56 (1975): 323-30; see also his "A Cooperative Farming Project in Chile: A Case Study," Journal of Farm Economics 48 (1966): 295-308.

17. "Chile's Experiments in Agrarian Reform," p. 325.

18. Both surveys were directed by the author. The landless peasant sample was collected with the support of the Social Science Research Council. Details of that study are contained in Seligson, "The Peasant and Agrarian Capitalism in Costa Rica"; "Agrarian Capitalism and the Transformation of Peasant Society: Coffee in Costa Rica," Special Studies Series No. 69 (Buffalo: State University of New York, 1975); "Agrarian Policy in Dependent Societies: Costa Rica"; John A. Booth and Mitchell A. Seligson, "Dimensions of Political Participation Among Latin American Peasants: An Analysis of Two Costa Rican Samples," Paper presented to the Southwest Political Science Association Annual Meeting, San Antonio, Texas, March 1975; Seligson, "Development and Participation: The Impact of Context," in Booth and Seligson, eds., Citizen & State in Latin America: Studies in Political Participation (New York: Holmes & Meier Publishers, Inc., forthcoming, 1978); Seligson, "Unconventional Political Participation: Cynicism, Powerlessness and the Latin American Peasant," in Seligson and Booth, eds., Political Participation and the Poor in Latin America; and Mitchell A. Seligson and Susan Berk-Seligson, "Language and Political Behavior: A Methodology for Utilizing the Linguistic Component of Socio-Economic Status," American Journal of Political Science (August 1978, forthcoming).

These are not the same peasants being interviewed at different points in time and hence we are not dealing with a panel study design. Rather, we are looking at two different groups of peasants and assuming a kind of quasi-experimental before and after design. The landless peasants are viewed as representing the reform peasants before they received assistance from ITCO. Differences in income, when the proper controls are made for inflation over the three years, are assumed to be a result of the reform process. The best way of insuring maximum comparability of the two samples is to use Thiesenhusen's suggestion of comparing actual income to minimum wage figures. In this way we can know quite accurately what the 1973 peasants would be earning in 1976 by simply comparing minimum wage figures.

The evidence is quite clear that the results Thiesenhusen found in Chile are also found in Costa Rica. First, reform does substantially increase income. In 1973 the minimum wage was 72 colones a week. The 1973 sample of landless peasants showed that total family income (including the earnings of the head of the family plus all income earned by other family members given to the head of the family) averaged 96 colones, or 33.9 percent over the minimum wage figures. In the 1976 sample of reform peasants total family income amounted to 201 colones or 67.5 percent above the new minimum wage of 120 colones. We see then that the reform peasants were earning considerably more than their landless counterparts.

Inequality in income distribution also increased. Applying the Gini index of inequality to the family income data we find that the index is .25 among the landless peasants and .34 among the reform peasants. Hence, as in the reform settlements Thiesenhusen studied in Chile there has been a shift in the direction of inequality. However, we find that a smaller percentage of the peasants in the reform sample earn less than the minimum wage as compared to the landless peasants. Among the landless, 30.5 percent of the sample earned less than the minimum wage whereas among the reform peasants only 18.9 percent earned less than that amount. At the other extreme of the distribution is where we find the greater inequality occurring. If we look at the percentage of the sample earning more than double the minimum wage, we find that only 15.5 percent of the landless peasants earned this much money whereas in the reform samples 21.2 percent of the sample earned this much. Finally, when we examine the very top 1 percent of the distribution, we find that the wealthiest landless peasants earn no more than an average of 4.1 times the minimum wage, whereas the top 1 percent of the reform peasants earned 14.3 times the minimum.

What appears to have happened in the Costa Rican reform is that not only have the recipients as a whole benefited from the reform but that some of the reform peasants have made great strides in improving their incomes. The impact of reform is even more noticeable among those beneficiaries of the programs who have held their land for at least 4 years. Those peasants have incomes which average 9 percent higher than the entire sample of beneficiaries. What appears to be happening as the years go on is that the individuals who receive land from ITCO are able to increase the yields on their farms and hence increase income. Probably a major factor in producing these higher yields is the technical assistance and credit programs made available to the peasants.

In addition to economic data on the impact of reform it is possible to examine attitudinal data in order to study the impact of the reform program on peasants. A look at shifts in social-psychological attitudes can help us see what happens to peasants once they have been given land. Tables 4 to 7 compare the attitudes of the sample of 753 peasants who have received land from ITCO with the sample of 263 landless peasants.

The attitudinal impact of reform is striking. The data reveal that the peasants who have received land from ITCO feel significantly more trusting in government, more positively oriented towards the future and feel more politically efficacious than the landless peasants who feel more cynical, more pessimistic about the future, and more powerless than do the ITCO peasants.

The ITCO peasants' greater trust in government is revealed in Table 4. For each of the seven questions listed the ITCO peasants responded more frequently with a trusting response compared to the more cynical landless peasants, although in one case the results are not statistically significant. The pattern of responses for the individual questions in Table 4 is highly revealing. The strongest differences of opinion between the landless peasants and the reform peasants occur in the first four questions, in which the respondent is asked to evaluate the performance of government and government officials. It is readily comprehensible that peasants who have been given land by ITCO would feel that, at least in one instance, government is doing a respectable job. Hence, we find that more than twice as many reform peasants think that the government helps them and that, conversely, more than three times as many landless peasants think the government hurts them (question 1). In similar fashion, the ITCO peasants are nearly twice as likely to trust government to do the right thing, whereas landless peasants are nearly twice as likely to believe that government almost never can be trusted to do the right thing (question 2). We also find that 25 percent more of the ITCO peasants believe that government is interested in people like themselves than do the landless peasants (question 3). While the bulk of both groups of peasants feel that public servants are prepared for their jobs, more than twice as many landless peasants feel that the public servants are unprepared (question 4).

The remaining trust in government questions (questions 5-7) ask the peasant to make evaluations that largely go beyond his own personal experience. It is in this area that the trust levels of the two groups are much more similar. Hence, when asked if government is interested in solving the problems of the majority of Costa Ricans or is interested only in the problems of some important families, the reform peasants were only slightly more willing to state that government was interested in the majority than were the landless peasants (question 5). Similarly, there is very little difference between the landless and reform peasants in their view of government misspending of tax money (question 6), and no statistically significant difference between the peasants' view of the honesty of public officials. The overall pattern of the responses to the trust questions is clear: peasants who have received land from ITCO are much more favorable in their evaluation of government performance than are the landless peasants.

Table 4
Trust in Government Comparisons*

	Landless Peasants (N=263)	Reform Peasants (N=753)
1. Do you think that what government does helps you, hurts you, or neither helps nor hurts you?		
helps	20.2%	40.5%
neither	43.3	46.9
hurts	36.5	12.6
	p < .001 Tau c = -.32	
2. How often do you think that one can trust government to do the right thing? Do you think you can trust them almost always, almost never or sometimes?		
almost always or sometimes	35.7	65.0
almost never	64.3	35.0
	p = < .001 Tau b = -.29	
3. Some say that government isn't interested in the problems of people like you. Others say that government is interested in the problems of people like you. What do you think?		
interested	46.1	71.5
not interested	53.9	28.5
	p < .001 Tau b = -.26	
4. Do you think that among the public servants the majority do not have the preparation necessary for their job, or the majority does have the preparation or there are some who do and some who do not have the preparation?		
majority prepared or some prepared	73.0	89.2
majority unprepared	27.0	10.8
	p < .001 Tau b = -.27	

Table 4
(continued)

	Landless Peasants (N=263)	Reform Peasants (N=753)
5. Would you say that government is interested in solving the problems of the majority of Costa Rican, or are they interested only in the problems of some important families?		
majority	36.3	45.9
important families	63.7	54.1
	p < .01 Tau b = -.09	
6. Would you say that government misspends a lot of the money that the people pay in taxes, a little of the money, or part of that money?		
a lot	60.2	58.4
some	17.7	28.3
little	17.7	8.4
none	4.4	4.9
	p < .001 Tau c = -.28	
7. Do you think that among public servants there are many who aren't honest, there are some who aren't honest or there are a few who aren't honest?		
few or some dishonest	66.7	69.3
majority dishonest	33.3	30.7
	p = ns	

* Includes questions directly comparable in the two surveys. Percents include non-missing data only. Total N varies due to missing data.

Researchers frequently view peasants as characterized by political incapacity,¹⁹ that is, they are unable to organize their communities for effective political action. While I have argued that this characterization is an inaccurate one and that peasants do have a higher sense of efficacy than it is generally believed,²⁰ the interest in the present analysis is to compare levels of efficacy within the peasant sector. Sharp differences appear between the landless and reform peasants, as is revealed in Tables 5 and 6. In these two tables efficacy is measured in two different ways, and both measurements offer identical conclusions. Efficacy is measured in Table 5 by having the peasant set the context of his responses to a series of questions regarding problems and problem-solving in his village.²¹ The first question in Table 5 demonstrates that, while over 55 percent of the landless peasants can name what they consider to be the most serious problem in their village, over 86 percent of the ITCO peasants are able to do so. The remaining questions in Table 5 reveal similar differences between the two samples. The ITCO peasants are much more informed about how the problem arose (question 2), and how it could be solved (question 3). They have also been more actively involved in solving the problem (question 4) than have the landless peasants. It can be concluded that the reform peasants have a significantly higher feeling of political efficacy than do the landless peasants. Communities composed of reform peasants are much more likely to be active in trying to solve local problems, and, therefore, greater communal activism in these communities can be expected. On the other hand, communities populated by landless peasants are more frequently characterized by an attitude of "let the other guy worry about it."

The second measure of political efficacy is detailed in Table 6. This measure is made up of questions which probe the respondents' sense of efficacy in relation to government institutions. The first question asks for his feelings of efficacy toward the local government (i.e., municipalidad). The respondent is asked what he will do if the municipality considers passage of a law which he thinks unjust. The majority of both groups of peasants feel that they will do something about the law; however, 40 percent of the landless peasants say they will do nothing, whereas only a little over 17 percent of the ITCO peasants respond this way (question 1). Similarly, the reform peasants are much more optimistic that community efforts made to stop the law will be successful. Only 4.3 percent of the reform peasants feel that they will have a bad chance of stopping the law as compared to 24.9 percent of the landless peasants who reacted this way. The last

19. Edward C. Banfield, The Moral Basis of a Backward Society (New York: Free Press, 1958).

20. Seligson and José Manuel Salazar, X., "Political and Interpersonal Trust Among Peasants: A Reevaluation" (Unpublished Ms., 1977).

21. The questions in this table form a valid Guttman scale. For further details on this method of measuring efficacy see Mitchell A. Seligson, "A Problem-Solving Efficacy Scale: A New Approach to Measuring Political Efficacy" (Unpublished Ms., 1977), and Seligson, "Unconventional Political Participation: Cynicism, Powerlessness and the Latin American Peasant."

Table 5
Political Efficacy I Comparisons*

	Landless Peasants (N=263)	Reform Peasants (N=753)
1. All communities have problems, that is, things which make people's lives difficult. What is the most serious problem in this village, that is, the village of <u>(name filled in)</u> .		
problem mentioned	55.5%	85.7%
no problem	44.5	14.3
	P X ² < .001 Tau b = -.33	
2. In your opinion, how did this problem arise?		
answer	53.2	80.7
unable to answer	46.8	19.3
	P X ² < .001 Tau b = -.29	
3. What could be done about this problem?		
answer	49.0	75.6
no answer	51.0	24.4
	P X ² < .001 Tau b = -.27	
4. Have you tried to help solve the problem?		
yes, helped solve	25.5	49.4
no, not helped solve	74.5	50.1
	P X ² < .001 Tau b = -.25	

* Includes questions directly comparable in the two surveys. Percent include non-missing data only. Total N varies due to missing data.

question in this series asks the peasant to speculate how he would be treated in a government office. Here we see that the contact with government institutions which the ITCO peasants have had, apparently has been considerably more satisfactory than that had by the landless peasants. Over half of the ITCO peasants feel that they would receive a lot of attention in the government office, whereas less than one-fifth of the landless peasants felt this way. It is clear from the responses to these questions that the reform peasants feel considerably more capable of having an impact on government bureaucracies than do the landless peasants.

The final series of questions which will be analyzed are those which concern the individual's orientation toward the future. By this it is meant those attitudes which reflect the way a respondent reacts to the challenges of a changing world; some are optimistic and believe that they can meet those challenges because man is in control of his destiny whereas others view the future with despair since they believe that the future is predetermined.

The questions asked which tap the future orientation of the two groups of peasants are contained in Table 7. Once again we see clear evidence of the impact of agrarian reform. Questions 1 and 2 are phrased in a general way in order to tap underlying attitudes toward the future. The first question reveals that while slightly less than half of the landless peasants believe that one makes his own destiny, over 85 percent of the reform peasants respond this way. In a similar fashion, although the differences are not so great as in the prior question, nearly two-thirds of the landless peasants feel that success in life depends more on luck than on the individual, whereas only half of the reform peasants responded this way. These first two general questions serve as a basis for the more specific questions (3, 4, and 5) which posit a particular situation and ask the peasant to respond to it. The first question, a hypothetical situation regarding the value of making plans, reveals that while slightly under half of the landless peasants feel that it is useless to make plans, less than a fifth of the ITCO peasants feel plans were useless. The next question in this series (question 4) demonstrates that nearly three times as many landless peasants than ITCO peasants believe that planting methods should remain unchanged. The final question (question 5) demonstrates that the landless peasants are more likely than the reform peasant to rely on religion rather than on medicine in curing an illness. All of the questions in this series indicate a much more positive approach to the future among the reform peasants.

Table 6

Political Efficacy II Comparisons*

	Landless Peasants (N=263)	Reform Peasants (N=753)
1. Let's suppose that a municipal law is being considered which you consider unjust and harmful to your community. What do you think you could do about this?		
do something (protest, strike, etc.)	50.6%	82.6%
do nothing	49.4	17.4
	p < .001 Tau b = -.25	
2. If a group of neighbors made an effort to stop the law, what chance would you have to stop it? Would you have a good chance, a fair chance or a poor chance?		
good chance	40.6	75.0
fair chance	34.5	20.7
poor chance	24.9	4.3
	p < .001 Tau c = -.38	
3. Let's suppose that there were a matter that you had to arrange in one of the offices of the government. If you tried to explain your problem to the people of that office, do you think they would pay you a lot of attention, a little attention or wouldn't pay attention to you?		
lot of attention	16.5	56.5
little attention	65.5	38.0
no attention	18.0	5.5
	p < .001 Tau c = -.43	

* Includes questions directly comparable in the two surveys. Percents include non-missing data only. Total N varies due to missing data.

Table 7
Future Orientation Comparisons*

	Landless Peasants (N=263)	Reform Peasant (N=753)
1. Some say that one is born with his destiny; others say that one makes his own destiny. What do you think?		
make destiny	48.6%	85.5%
born with destiny	51.4	14.5
	p < .001 Tau b = -.39	
2. Some say that success in life depends more on luck than on the individual. Others say, on the other hand, that success in life depends more on the individual than on luck. On what does it depend upon more?		
the individual	34.5	49.8
luck	65.5	50.2
	p < .001 Tau b = -.15	
3. Two men are talking about the bad luck a friend of theirs had. This friend, in spite of making plans to improve his farm's production had failed. One of the two men said, "Its better not to make plans because most of the time plans go up in smoke." But the other man was not in agreement and said, "To make plans is very important." Which of the two do you think is right?		
important to make plans	53.6	83.9
useless to make plans	46.4	16.8
	p < .001 Tau b = -.32	
4. Two farmers are talking about how they could work it to get a bigger coffee harvest. One farmer said, "We ought to change our way of cultivating coffee. The other responds, "I disagree. We ought to continue as before." What do you think?		
change method	70.7	89.9
continue as before	29.3	10.1
	p < .001 Tau b = -.24	

Table 7

(continued)

	<u>Landless Peasants (N=263)</u>	<u>Reform Peasants (N=753)</u>
5. A man's wife is gravely ill. What should he do? Get the medicine first and afterwards pray to God, or should he pray to God first and afterwards get the medicine?		
medicine	40.2	61.7
pray	59.8	38.3
	p < .001	
	Tau b = -.22	

* Includes questions directly comparable in the two surveys. Percent include non-missing data only. Total N varies due to missing data

CONCLUSIONS

Agrarian reform in Costa Rica has come a long way since 1949. ITCO has turned its back on the mistakes of the past and is driving toward an even more effective program. Furthermore, the pace of reform has quickened. Perhaps even more important is that there is clear evidence of the positive impact of reform: income is increased and attitudes are more positive.

Despite the successes of the reform program a central question still remains; is enough being done to slow the peasants' long, slow slide of downward mobility? The answer at this point must be in the negative. There are signs, however, that a more vigorous effort is in the making. Several pieces of new reform legislation are being considered and the present administration has made agrarian reform a high priority. The next decade will be critical in determining the future of the Costa Rican peasant.